REMARKS

Claims 1-6, 9-17, and 20-26 are pending. Claims 1-6, 9-17, 20-26 stand rejected. Claims 1-6, 9-17, and 20-26 are amended. Claims 7, 8, 18, and 19 are cancelled. No new matter has been added. Reconsideration of the outstanding rejections in the present application are requested based on the following remarks.[1]

REJECTION OF CLAIM 25 UNDER 35 U.S.C. § 112, SECOND PARAGRAPH

Claim 25 stands rejected under 35 U.S.C. § 112, second paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically, the Office Action asserts that "Claim 25 as now amended recites ... *determining a detection index based directly on the number of responses...* However, it is unclear how the term *directly* modifies the determining such that *based directly on* compared to simply *based on* is a distinct concept or further limiting to the determining step. As such the limitation is indefinite." *Office Action,* p. 4. The applicant disagrees with the assertion that the use of "based directly on" is indefinite, however for the purpose of moving this patent application towards allowance, claim 25 is amended to remove "directly" from claim 25.

The Office Action also asserts that "Claim 25 also now recites that *the total risk score ... such that the higher the total risk score, the more severe the risk of non-compliance.* However, it is unclear how the phrase *such that...* further limits the total risk score which is calculated from the three indices." *Office Action,* p. 5. In some instances, the higher a score the better and in other instances, the lower the score the better. The phrase "total risk score" is not an exact phrase in that one of ordinary skill in the art may not know if a high total risk score is good or bad. Thus, claim 25 is written to provide clarity that the higher the risk score, the more severe

[1] As Applicant's remarks with respect to the Examiner's rejections are sufficient to overcome these rejections, Applicant's silence as to assertions by the Examiner in the Office Action or certain requirements that may be applicable to such rejections (e.g., assertions regarding dependent claims, whether a reference constitutes prior art, whether references are legally combinable for obviousness purposes) is not a concession by Applicant that such assertions are accurate or such requirements have been met, and Applicant reserves the right to analyze and dispute such in the future.

the risk of non-compliance. Therefore, the phrase "such that..." provides further clarity as to relevance of the total risk score.

In view of these comments, withdrawal of the rejection of claim 25 is requested.

REJECTION OF CLAIMS 1-6, 9 & 21-26 UNDER 35 U.S.C. § 101

Claims 1-6, 9, and 21-26 stand rejected under 35 U.S.C. § 101 as being directed towards a non patent eligible process. *Office Action,* p. 5. Claims 1-6, 9, and 21-26 are amended and are now directed towards a computer-implemented method. In addition, claim 1 is amended and further includes a displaying step. These amendments render the rejection of claims 1-6, 9, and 21-26 moot.

Regarding claims 10-17 and 20, the Office Action rejects these claims as being directed towards non-statutory subject matter. *Office Action,* pp. 6-7. Specifically, the Office Action asserts that "a system without structure where the components of the system are disclosed as computer software *per se* is non-statutory per se." Office Action, p. 7. Claims 10-17 and 20 are amended and are now directed towards a computer based system. In addition, claim 10 is amended and includes an administrative module for displaying the prioritized at least one business category and the at least one total risk score. These amendments render the rejection of claims 10-17 and 20 moot.

In view of these comments, withdrawal of the rejection of claims 1-6, 9, and 21-26 is requested.

REJECTION OF CLAIMS 1-6, 9-17, 20, 22, 25, & 25 UNDER 35 U.S.C. § 102(e)

Claims 1-6, 9-17, 20, 22, 25, and 26 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application 2002/0059093 to Barton *et al.* ("Barton"). *Office Action,* p. 3. This rejection is hereby respectfully traversed. Under 35 U.S.C. § 102, the Patent Office bears the burden of presenting at least a prima facie case of anticipation. As stated in MPEP § 2131, "[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." Verdegaal Bros. v. Union Oil Co. of California, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

Barton does not disclose "A method for use in compliance management, comprising: presenting, via a computer network, a user with a series of questions relating to at least one

business category; soliciting, via the computer network, a response from the user for each question presented; determining a detection index based on the number of responses, and corresponding answers, to each of the series of questions; determining an occurrence index based on the potential consequence of non-compliance; determining a standard severity risk index based on the expected severity of non-compliance; and prioritizing, via the computer network, the at least one business category based on the user's responses and at least one total risk score comprising the product of the detection, occurrence and standard severity risk indices."

The Office Action asserts that paragraphs 13, 14, 60, 81, and 84 of Barton disclose "determining a detection index based on the number of responses, and corresponding answers, to each of the series of questions" as recited in claim 1 of the present application. *Office Action,* p. 8. As recited in claim 1 of the present application, the detection index is based on the number of responses and corresponding answers to teach of the series of questions. Exemplary support for this, can be found in paragraph 55 of US Patent Application 2003/0125997 (the publication for the present application) which discloses an algorithm for a detection index with the number of responses and corresponding answers being part of the algorithm. Paragraphs 13 and 14 of Barton disclose aspects of the Barton invention, e.g., a system and method, in which "[t]he server compiles answers received from the process owners, and summarizes the questions and answers as an assessment of the compliance program." *Barton,* para. [0013]. Compiling answers and summarizing is not determining a detection index based on the number of responses and corresponding answers. Hence, Barton does not disclose "determining a detection index based on the number of responses, and corresponding answers, to each of the series of questions" as recited in claim 1 of the present application.

Paragraph 60 of Barton discloses answers as being "yes," "no," "not applicable," "high," "low." or on a scale of one to ten. Paragraph 60 does not disclose determining a detection index. Paragraph 81 of Barton discloses issues relating to risk being identified, e.g., "determination of potential failures and root causes of the failures." *Barton,* para. [0081]. This paragraph also discloses the use of a severity rating, a likelihood of occurrence factor and a detection ability factor. The Office Action fails to identify how this paragraph discloses the elements of the "determining a detection index" as recited in claim 1 of the present application.

Lastly, paragraph 84 of Barton discloses calculating values of occurrence and detection. Regarding detection, Barton recites "The ability to detect (detection) uses a similar numerical scheme with a value of one meaning that if there is noncompliance, the potential failure will be found or prevented to a value of ten representing absolute certainty that current controls will not detect potential failures or there are no controls in place." *Barton,* at para. [0084]. Thus, Barton discloses that detection is based on detect ability and not on "the number of responses and corresponding answers to each of the series of questions" as required by claim 1 of the present application. Hence, Barton does not disclose "determining a detection index based on the number of responses, and corresponding answers, to each of the series of questions" as recited in claim 1 of the present application.

The Office Action asserts that paragraphs 7, 81 and 84 of Barton disclose "determining an occurrence index based on the potential consequence of non-compliance" as recited in claim 1 of the present application. *Office Action,* p. 8. Exemplary support for this limitation may be found in paragraph 65 of US Patent Application 2003/0125997 which recites that "According to one embodiment, the occurrence index is based on the total number of agents and/or employees affected by non-compliance. In another embodiment, the occurrence index is based on the total number of contracts or policies in force. That is, the higher the occurrence index, for example, the higher the total risk score because of the larger number of agents, employees, policies, or contracts that would be affected by non-compliance." Thus, the occurrence index is based on the potential **consequences** of non-compliance as is reflected in the claims.

In contrast, the asserted paragraphs of Barton discuss an occurrence index with paragraph 81 disclosing a "likelihood of occurrence factor" and paragraph 84 defining it as "The likelihood of occurrence measures the frequency of non-compliance in the process with a value of one indicating a remote likelihood up to a value of ten representing that failure is assured." *Barton,* para. [0084]. Thus, in Barton, the occurrence index is a probability of non-compliance.

Comparing the occurrence index of claim 1 with the occurrence factor of Barton, the two values are different. Specifically, the occurrence index of claim 1 is based on the potential consequences of non-compliance, e.g., potential number of non-compliance and its impact. The occurrence factor of Barton is based on percentages. Taking this one step further, using the example in paragraph 66 of US Patent Application 2003/0125977, if ten contracts/policies would

be affected by non-compliance, the occurrence index of claim 1 would be "0". In contrast, if ten contracts/policies would affected by non-compliance, the occurrence factor of Barton would be "10". Thus, the occurrence index and occurrence factor represent different values. Hence, Barton does not disclose "determining an occurrence index based on the potential consequence of non-compliance" as recited in claim 1 of the present application.

Given that Barton does not disclose the detection index and occurrence index as recited in claim 1, then Barton cannot disclose "prioritizing, via the computer network, the at least one business category based on the user's responses and at least one total risk score comprising the product of the detection, occurrence and standard severity risk indices" as recited in claim 1 of the present application.

Applicant submits that independent claims 10 and 25 are allowable at least for some of the reasons set forth above with regard to claim 1. Further, the dependent claims are allowable based on their various dependencies on the independent claims, as well as for the various additional features such dependent claims recite. Therefore, the undersigned representative will not address the arguments with respect to the other claims and reserves the right to address these arguments at a later time.

Thus, Barton fails to teach or suggest the claimed features. Withdrawal of the 35 U.S.C. §102 rejection is respectfully requested.

REJECTION OF CLAIMS 23 AND 24 UNDER 35 U.S.C. § 103(a)

Claims 23 and 24 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Barton. This rejection is respectfully traversed.

The Office Action proposes to modify the features of Barton. Specifically, the Office Action asserts:

> As per claims 23 and 24, Barton et at. teaches the potential consequence of non-compliance (See paragraphs 0081 and 0084-6). However, Barton et at. does not expressly disclose that the potential consequence of non-compliance is based on the total number of agents or employees affected by non-compliance or the total number of policies in force.

The Office Action then proposes to modify Barton to address such deficiencies. Applicant submits that even if it were obvious to so modify Barton (which it is not admitted) such would fail to cure the deficiencies set forth above with respect to the independent claims.

Accordingly, Applicant submits that claims 23 and 24 are allowable based on their dependency on claim 1 , as well as for the further features claims 23 and 24 recite. Withdrawal of the rejection under 35 U.S.C. §103 is requested.

CONCLUSION

The foregoing is submitted as a full and complete Response to the Non-final Office Action mailed July 9, 2008, and early and favorable consideration of the claims is requested. If the Examiner believes any informalities remain in the application which may be corrected by Examiner's Amendment, or if there are any other issues which may be resolved by telephone interview, a telephone call to the undersigned attorney at (703)714-7448 is respectfully solicited.

Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 50-0206, and please credit any excess fees to such deposit account.

Respectfully submitted,

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